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The PAST, PRESENT, *and* PROSPECTIVE *Financial Condition of* BRITISH INDIA. *By* COLONEL SYKES, M.P., F.R.S.

[Read in Section (F), at Aberdeen, September, 1859.]

THE Financial Condition of the British Government in India has for a few years past been the subject of the most conflicting statements; high authorities, even in Parliament, have recently declaimed against a perennial deficiency, from which there was no recovery, because a crushing taxation had reduced the people to indigence, and a succession of loans had only relieved immediate difficulties, to accumulate and enhance those difficulties in the end. These statements appear to me to have had their origin in the vague and indefinite associations that the ceaseless wars which had been carried on in India, occasionally at enormous cost, had necessarily involved Indian finance in inextricable confusion.

I am free to confess that some years ago I had considerable misgivings, and was influenced by appearances; occupying at that time a position in the Home administration of the affairs of India, I caused, in December, 1842, a statement, from an early period, to be drawn up in the proper department at the India House, of the real condition of the Receipts and Expenditure in every branch of revenue and charge at each Presidency, together with the pressure of the interest of the debt in relation to the annual net revenue. To limit the very great labour which an annual statement for a lengthened period would entail, I adopted the expedient of taking every tenth year for each Presidency, commencing with 1808-9. That statement was laid upon the table of the Court of Directors on the 14th December, 1842, and on the 12th March, 1852, I caused the statement of the fifth decennial period to be produced, comprising the financial year 1849-50. These statements I shall now lay before

the Section, together with the necessary comments, and as the sixth decennial period is not yet arrived, I shall limit my range to the year 1857, giving the actual financial condition of India when the mutiny began, because in that year the absolute statistics terminate. But as the Secretary for India has submitted to Parliament *estimates* of the gross revenues and charges for 1858-59 and for 1859-60, I shall make such use of them *quantum valeat* as may aid in considering the finances immediately and prospectively.

In addition to the above, the House of Commons granted me a return of the annual increase or decrease of the Indian debt from the year 1800 to the latest date, together with a statement of the *gross* revenues of the several Governments, with a column indicating the annual percentage pressure of the interest of the debt; but as the revenues are given in gross, without deduction for charges of collection, the percentage pressure is somewhat more favourable than in my decennial returns, as I calculated it upon net revenue only. The headings of the several columns of Revenue in my decennial statement are "Gross Receipts," "Charges of Collection," "Net Receipts," and "Percentage Charge of Collection," and the revenues comprise "Land Tax," "Excise" (markets and liquors), "Customs," "Salt," "Opium," "Stamps," and "Post "Office," and Tribute from Native Princes. The charges are arranged under the several designations "Civil and Political," "Judicial," "Police," "Mint," "Marine," "Military," "Build-"ings and Fortifications," "Miscellaneous," and "Interest upon "Debt;" and the percentage of the whole charge under each head to the net revenue is given.

I propose to treat—

1st. Progress of Revenue.
2nd. Ditto of Charge.
3rd. Ditto of Military Charge.
4th. Ditto of Civil Charge.
5th. Pressure of Interest of Debt.
6th. Financial Condition during the years of the Mutiny, and lastly,
7th. Prospective Financial Condition of India.

And first to notice shortly the result of the statements laid before the Court of Directors in December, 1842 and in March, 1852, the details being available in the statements themselves.

(A.)—*India.*—1809-1849.—*Revenues and Charges.*

Revenues.	Net, 1809-10.	Net, 1819-20.	Net, 1829-30.	Net, 1839-40.	Net, 1849-50.	Gross. 1857.
	£	£	£	£	£	
Bengal & Agra	7,151,	8,476,	9,524,	8,962,	13,700,	20,669,
Madras	3,620,	3,429,	3,401,	3,433,	3,478,	5,767,
Bombay	466,	1,110,	1,273,	1,346,	2,330,	5,405,
Punjab	....	....	....	....	....	1,461,
Total	11,238,	13,016,	14,200,	13,742,	19,510,	33,303,
Total Charges:—						
Bengal & Agra	5,984,	7,360,	7,385,	7,541,	10,490,	16,493,
Madras	3,463,	3,757,	3,445,	3,478,	3,073,	5,177,
Bombay	1,628,	1,816,	2,275,	1,984,	2,839,	5,143,
Punjab	....	....	....	....	....	1,264,
	11,076,	12,934,	13,107,	13,004,	16,404,	28,079,
Surplus in India	131,	182,	1,092,	737,	3,105,	3,611,
Military Charges:—						
Bengal & Agra	2,972,	3,022,	3,498,	4,115,	5,897,	6,129,
Madras	2,581,	3,033,	2,633,	2,764,	2,364,	2,865,
Bombay	1,062,	1,512,	1,501,	1,052,	1,817,	2,131,
Punjab	....	....	....	....	....	161,
Total Military Charges.	6,616,	7,568,	7,633,	7,932,	10,079,	11,463,
Percentage of:—	Pr. ct.	Pr. ct.	Pr. ct.	Pr. ct.	Pr. ct.	
(1.) Military Charge	58·877	64·290	53·754	57·721	51·662	45·55
(2.) Interest of Debt	18·010	12·805	12·124	9·756	10·512	7·19
(3.) Civil and Political	7·221	8·900	9·575	12·296	8·902	*9·62
(4.) Judicial	7·525	6·800	7·107	9·565	7·180	} 9·38
(5.) Provincial Police	1·991	2·093	1·535	2·062	2·062	}
(6.) Bldngs. and Fortfins.	1·639	1·756	2·810	1·428	1·661	....

The above table exhibits the abstract *net* financial condition of British India at five decennial periods, from 1809-10 to 1849-50, both inclusive. The 000's at *unit* are omitted. The column for 1857 is from Parliamentary Paper 199, Sess. 2/'59.

Note.—The pressure of the military charges in 1857 upon the net revenue according to the Statistical Tables of the United Kingdom was only 41·61 per cent.

1. It will be observed that the net revenue of British India in 1809-10 was over eleven millions sterling, and that through the successive decennial periods up to 1849-50 it continued to increase up to 19½ millions in 1849-50, excepting after 1829-30, when the progressive increase was checked to the amount of a few hundred thousand pounds; but in 1856-57 at the commencement of the mutiny, by the Parliamentary Return 201, Sess. 2/'59,

the gross revenue had reached the unprecedented amount of 33¼ millions.

2. The whole charges it will be seen by the table, increased from 11 millions in 1809-10, through the successive decennial periods, up to 16½ millions in 1849-50; but the Indian surplus, which in 1809-10 was only 131,000*l.*, in 1849-50 had become 3,104,000*l.* The Parliamentary Paper 199, Sess. 2 of 1857, shows that the whole charges in 1856-57 amounted to 25½ millions, but this must be exclusive of the charge for collection, as the revenues of that year exceeded 33 millions, *vide* Parliamentary Return 201, Sess. 2 of 1859, and there was a final surplus over every charge, Indian and Home, of 82,143*l.*, *vide* Parliamentary Return 199, Sess. 2 of 1859.

3. The military charges have always been, and it is to be feared always will be, the chief drain upon the Indian Exchequer. Great as the pressure of the military charges is in England, it is nothing comparable with the pressure in India. Up to the outbreak of the mutiny however, the table shows that in 1809-10 the pressure which was 58·87 per cent. of the net revenue, and which in 1819-20 rose to a maximum pressure of 64·75, which it has not even attained in the enormous outlay to suppress the mutiny, from 1819-20 gradually declined, and in 1849-50 was only 51·66 per cent., or a little more than half of the revenue of British India; but in April, 1857, before the outbreak of the mutiny, according to Parliamentary Paper 199, the military and naval charges had fallen to 45·55 per cent.; a diminished amount of proportionate charge which had not been experienced in the preceding fifty-six years. It would have been happy for India and England that this had been continued.

4. The civil charges, which by many persons have been stated to be disproportioned to the resources of the Government, would appear in 1809-10 to have amounted only to 7·22 per cent. of the net revenue, and though they had risen to 12·29 per cent. in 1839-40, they fell again in the next decennial period to 8·90 per cent., and in 1857 they were 9·62 per cent. of the net revenue: these do not include the judicial charges, which during fifty years appear to have borne with very little variation of pressure upon the net revenue, the minimum being 6·80 per cent. in 1819-20, and the maximum 9·56 in 1839-40, and in 1849-50 they had fallen to 7·18 per cent., and in 1857, inclusive of police, they were 9·38 per cent. of the net revenue.

Previously to going into a review of the Indian and Home debt as a corollary to the preceding observations, it will be right to annex Tables I, II, and III of B, illustrative of the development of the resources of India from the abolition of the exclusive trading privileges of the East India Company in 1834-35 until 1856-57, which show that the imports of merchandize had increased 233 per

cent., and of treasure 661 per cent.; and that the exports had increased 217 per cent., and that 542 per cent. had taken place in the increased export of treasure, the amount in 1834-5 being only 194,740*l.*; the balance of trade in favour of India during those twenty-two years having in fact been paid by an importation of bullion to the value of 94,517,189*l.*, of which only 18,162,794*l.* had been re-exported, leaving 76,354,395*l.* in India to increase the wealth of the country.

(B.)—*India,* 1834-56.—*Imports and Exports.*

(I.) IMPORTS.

Year.	Merchandize.	Increase.	Treasure.	Increase.	Merchandize and Treasure.	Increase.
	£	Per cent.	£	Per cent.	£	Per cent.
1834-35	4,261,106	233	1,893,023	661	6,154,129	365
1856-57	14,194,586		14,413,698		28,608,285	

(II.) EXPORTS.

Year.	Merchandize.	Increase.	Treasure.	Increase.	Merchandize and Treasure.	Increase.
	£	Per cent.	£	Per cent.	£	Per cent
1834-35	7,993,420	217	194,740	542	8,188,161	224
1856-57	25,338,453		1,252,613		26,591,066	

(III.) *Total* TREASURE *Imported and Exported from* 1834-35 *to* 1856-57.

	£
Total Imported	94,517,189
Total Exported	18,162,794
Remained in India	76,354,395

Of these 76 millions sterling the sum of 66,224,172*l.* were coined into Company's rupees in the mints of Calcutta, Madras, and Bombay, from the years 1835-36 to 1853-54, both inclusive.

Debt.

Having discussed the several headings of revenues, charges, civil and military establishments, and the annual pressure of the interest of the debt in relation to net revenue for half a century past, it remains to notice, before proceeding to the present financial condition of British India, to give some details although curtailed

of the progress of that debt which is declared by part of the press, European and Indian, and by some Indian officials, to bear with such crushing weight upon the resources of India as to put into jeopardy the fulfilment by the Government of India of its pecuniary obligations. I am enabled by a Return (201/'59, Sess. 2) which the House of Commons granted upon my motion, to place before the Section the absolute annual increase, decrease, and rate per cent. of the portions of the debt in India and England from the years 1800-1 to 1857-8, with estimated continuations to 1859-60, the annual amount paid for interest, and the annual gross revenues of the several Governments in India, together with the annual percentage pressure of the interest of the debt upon the *gross* revenue.

The Indian debt in 1800 was 14,125,384*l.*, and the Interest paid upon it was 1,342,854*l.*, portions of it running at rates of 12, 10, 9, 8, and 6 per cent., and the average rate of interest was 8·09 per cent.; the *Home Bond debt* was 1,487,112*l.*, and the interest 5 per cent.; the pressure of the interest of the whole debt, Indian and English, was 13·63 per cent. upon the gross revenue of the year. Lord Wellesley's Wars with Scindah and Holkar caused the Indian debt gradually to increase until the year 1807-8, when it amounted to 30,098,857*l.*, and the annual interest to 2,339,087*l.*, at rates of 10, 9, 8, and 6 per cent., but the average rate of interest by occasional redemption had fallen to 7·77 per cent. in India. The home bond debt, however, had increased to 4,205,275*l.*, and part of the bonds issued were charged with 6 per cent. The maximum 6,565,900*l.* of the Home debt occurred in 1811-12 at a maximum interest of 5 per cent. until 1816-17, when the interest was reduced to 4 per cent., since which date it has occasionally been as low as 2½ per cent., and has never risen above 4 per cent. until the present year. The pressure of the interest of the whole debt Indian and Home in that year pressed with more severity upon the gross revenues than it had ever done before or has ever done since, namely, 15·90 per cent.; the pressure of the preceding year of 16·59 per cent. having been caused by an accidental falling off of a million in the revenue of the year 1806-7.

The Indian debt of 1807-8 after the Scindia and Holkar Wars, was gradually diminished by redemptions until 1810-11, when it had fallen to 22,545,843*l.*, and the interest had fallen to 1,503,434*l.*, and the average rate of interest to 6·66 per cent.; the Home debt was 4,900,000*l.*, and the pressure of both debts upon the gross revenue had fallen from 15·90 in 1807-8, to 10·62 per cent. in 1810-11; and I may here state, once for all, that notwithstanding the increase of debt in India to 60,704,084*l.* in 1857-58, and in England to 6,799,400*l.* in 1811-12, the pressure of the interest afterwards from 1810-11, in consequence of the revenue progress, never exceeded a

pressure of 11·84 per cent. in 1812-13, and in 1834-35 fell to 6·70 per cent., and in 1857-58 in the height of the mutiny, with a total debt of 60,704,084*l.* only amounted to 7·43 per cent. Up to 1810-11 by successive redemptions the loans at 12 per cent. were got rid of, but those at 10, 9, 8, and 6 per cent. remained, and in 1810-11 a financial operation took place similar to that which involved Lord Dalhousie in so much obloquy in 1853-54, the Government found itself in a position, from its cash balances, to propose to its creditors to accept a lower rate of interest or repayment, and the result was the redemption of 21,071,435*l.* by the transfer of 17,696,900*l.* and the payment in cash of 3,374,435*l.*, reducing the whole debt as before stated to 22,545,843*l.*, and the average rate of interest to 6·66 per cent., but still having some unmanageable loans at 9, 8, and 6 per cent. In 1811-12 and the two following years, the Home Bond debt was increased to its maximum amount, 6,565,900*l.*, but it must have been for temporary purposes, as the debt in 1814-15 was reduced to 4,376,976*l.*, and occasional reductions taking place; in 1840-41 it was only 1,734,300*l.*, at rates of 3 and 3½ per cent.

The Affghan War, however, occasioned its increase, but in 1856-57, at the date of the mutiny, it had only risen to 3,894,400*l.*, a less amount than it stood at forty-nine years before.

But to revert to the *Debt in India*, the Nepaul War and the first Mahratta War occasioned its increase in 1819-20 to 31,338,855*l.*, but the cessation of hostilities enabled the Government in 1823-24, that is to say, within three years, to repeat the financial operation of 1810-11, and to offer creditors a lower interest or repayment; the consequence was, a redemption of 13,849,487*l.*, a reinvestment of 11,190,123*l.*, a payment in cash of 2,659,364*l.*, and the reduction of the debt to 24,595,961*l.* at an interest of 1,468,009*l.*, the average rate being 5·96 per cent.; the gross revenues of India in this year being 21,280,384*l.*, and the pressure of the interest of the debt had fallen to 7·55 per cent. of the gross revenue.*

The first Burmese War of 1824-25 and its consequences, then ran the debt up to 38,316,486*l.*, but as on former occasions, peace brought with it financial power; the 8 per cent. loan was extinguished in 1833-34; and in 1835-36 another financial operation took place which reduced the debt to 31,821,118*l.*, at an interest of 1,426,362*l.*, or an average of 4·49 per cent., the loans being at 6, 5, and 4 per cent. During the years, from 1839-40 to 1852-53, the Affghan War, that of Sind, the first and second Sikh Wars, and

* The following are the average rates of Interest on the Debt mentioned in the text:—

8·09 in 1800-1.	6·66 in 1810-11.	4·49 in 1835-36.
7·77 „ 1807-8.	5·96 „ 1823-24.	3·89 „ 1853-54.

the second Burmese War took place, and the consequence was a progressive increase of the debt from 32,246,573*l.* in 1838-39, to 52,313,094*l.* in 1852-53, the interest of the debt being 2,479,133*l.*, and averaging 4·73 per cent.; but such confidence existed in the resources of India and in the Government, that money was raised at 4 per cent., large subscriptions were annually pouring in to the open loans, and in 1852-53 the cash balances had risen to the unprecedented sum of 15,389,135*l.*, the usual and necessary cash balances being about 10 millions.

These cash balances which had been increasing from 1845-46, had often attracted the attention and comment of the Court of Directors of the East India Company, and Lord Dalhousie has been involved in considerable obloquy in consequence of his financial operation of 1853-54 in reducing the 5 per cent. loans to 4 per cent., on the ground that he really had not the means of doing so, and that a deception was being practised upon the public. In justice to Lord Dalhousie it may be asserted that he had just as much the means of affecting his objects as his predecessors had who effected their successful financial operations in 1810-11 and 1823-24, or as the English Government had in reducing the interest upon consols and other public debts; and, in truth, Lord Dalhousie was prompted to his undertaking by the Court of Directors, and I have no hesitation in saying that in my place in the Court of Directors, I had for several years before denounced the system of allowing the cash balances to increase, without applying any unrequired surplus to the extinguishment of debt.

The financial operation took place in 1853-54, upon the termination of the second Burmese War, just as the former financial operations had successfully taken place after the first Mahratta War, and after the second Mahratta War, and 28,222,452*l.* were redeemed, 25,672,234*l.* transferred; the difference 2,550,218*l.* being paid in cash, and the Indian debt which had stood at 52,313,094*l.* in 1852-53, was reduced to 49,762,876*l.* in 1853-54. The great object was to reduce the interest of such 5 per cent. loans as could be handled, and the result was, in consequence of the subscription of 587,400*l.* to a 3½ per cent. loan, that the average interest upon the whole Indian debt was reduced to 3·89 per cent.

The gross revenues of India in 1853-54 were 28,277,530*l.*, and the pressure of the interest of the whole debt, Indian and Home, was 7·80 per cent. With this prospect of satisfactory financial progress, the outcry was raised in England, and chiefly by a small party in the House of Commons for a large outlay upon public works, the Home and Indian authorities gave way to this outcry, and the consequence was an immediate deficit of 2,114,674*l.* in 1854-55; and on the 20th April, 1855, to carry on the public works, it was abso-

lutely necessary to open a 5 per cent. loan. As Lord Dalhousie had just completed his great financial operation of reducing the interest of the chief part of the 5 per cent. debt by the aid of the unprecedented cash balance of 15,389,135*l.*, the public, ignorant of his means when he made the successful attempt, and equally ignorant of the compulsory character of the Public Works Loan, attributed to him wilful deception when he proposed to the holders of 5 per cent. debt to accept for the future 4 per cent. or repayment; but it will be seen from the above facts, that he acted throughout in good faith, and is not blameable for uncontrollable circumstances.

The annual outlay for Public Works * swelled the Indian debt from 49,762,876*l.* in 1853-54 to 55,546,650*l.* in 1855-56; but as I have shown above, in the details of the progressive revenue and charge, there was every probability of the revenues which had increased in 1856-57 to 33,303,391*l.*, covering even the charges for extraordinary public works, and the fact took place in 1856-57, when there was an absolute surplus over all charges, Indian and Home, of 82,143*l.*, *vide* Parliamentary Paper 199, Sess. 2 of 1859, the more so as the pressure of the interest of the whole debt, Indian and Home, had diminished to 7·19 per cent. upon the gross revenue, an amount below which it had only been reduced once in the last fifty-seven years in 1834-35, when it was only 6·70 per cent.

The outburst of the mutiny, however, raised the debt in India at once in 1857-58 to 60,704,084*l.*, and in England to 6,799,400*l.*, but as this brings me to the present financial condition of India, for which a separate notice is necessary, I shall conclude the statistical and historical account of the Debt incurred by the East India Company in the administration of the affairs of India since 1800, with asking whether from the official facts stated, there are sufficient grounds for the clamour raised against the East India Company for the last few years; that their administration had involved the finances of India in inextricable confusion, and with the prospect of early bankruptcy? whether on the contrary it was not the fact that at the time the mutiny broke out the finances of India were in a more healthy condition than they had ever been before?

Connected with this part of Indian finance, it is right to mention, that when Parliament in the India Bill of 1833 abolished the trading privileges of the East India Company, 13 millions of their commercial

* Expended upon roads, buildings, &c., *exclusive* of repairs and military buildings:—

1853-54	£703,756
1854-55	1,416,659
1855-56	2,012,452
1856-57	1,996,538
	£6,129,405

and in 1857-58, *including* repairs and military buildings, 2,666,811*l.*—Parliamentary Paper 199, Sess. 2 of 1859.

assets were arbitrarily transferred in aid of financial responsibilities in India, incurred exclusively for political purposes, wars, aggressions, and annexations of territory, which the Court of Directors had systematically discouraged, indeed often denounced.

Present Condition.

Having reviewed the past financial condition of British India for more than half a century within the domain of legitimate statistics, that is to say, facts, the absolute records reaching to April, 1858, the next part of my labour is the consideration of the *present state* of the finances, but as they are in a confessedly abnormal and transitory condition; moreover, as the figures indicating that condition for the years 1858-59 and 1859-60 result from estimates, any elaborate attempt at deductions would be misplaced, as they could not have a trustworthy value: it will suffice, therefore, to give the figures as presented to us by the Governor-General, Lord Canning, in his letter 1st April, 1859, with only passing comments.

In 1857-58 the debt in India was increased from the past year by 5,157,434*l.* at 5 and 5½ per cent., and in England by 2,905,000*l.* in 4 per cent. debenture bonds; the total interest payable in India and England being 2,355,838*l.*, the gross revenue being 31,706,776*l.*, and the pressure of the interest of the debts having risen from 7·19 per cent. in the previous year to 7·43 per cent. in 1857-58, the first year of the mutiny; the cash balances, however, on the 30th April, 1858, amounted to 13,877,376*l.*, which was about 3¾ millions more than the amount usually desired. We now step from actual results to estimates for 1858-59 and 1859-60; those of the former year will have the nearest approach to truth, as the results have been chiefly ascertained; the estimates for 1859-60 are simply probabilities, but with sufficient bases for realisable truth.

The following table exhibits the estimates as supplied by the Governor-General under date of the 1st April, 1859:*

1858-59.		1859-60.	
Revenues.	Charges.	Revenues.	Charges.
£ 33,671,798	£ 41,053,405	£ 36,190,349	£ 39,133,807
Indian deficit ..... 7,381,606 Home charges 5,924,441		2,943,458 4,299,666	
Total deficit 13,306,047		7,243,124†	

† This includes the proposed expenditure of 2,696,604*l.* on Public Works *extraordinary.*

These extracts necessarily imply that an addition must be made to the total debt of 67,503,484*l.*, Indian and Home, in 1857-58,† of

* Parliamentary Paper 94, Sess. 2 of 1859.

† *Vide* Parliamentary Paper 201, Sess. 2 of 1859.

13,306,047*l.* deficit in 1858-59, which would raise it therefore to 80,809,531*l.*; and of 7,243,124*l.* deficit in 1859-60, raising the debt in 1859-60 to 88,052,655*l.*; the annual interest in the former year being estimated at 3,021,140*l.*, with a pressure of 8·97 per cent. upon the gross revenue, and in the last year the interest would be 3,383,291*l.*, and the annual pressure 9·34 per cent.; the gross revenue in the first year being estimated at 33,671,798*l.*, and for 1859-60 at 36,190,349*l.*, but there is reason to suppose the debt in India will have been increased beyond the above estimates, and the Home debt will amount to 26,996,017*l.*, in 1860. The expected improvement of 2,518,551*l.*, in the receipts in 1859-60, results chiefly from the following sources, additional import, export, and excise duties, and improvement in land returns, viz.:—

	£
Customs	726,708
Salt	147,200
Opium	417,366
Sugar	114,692
Mints	25,110
Miscellaneous	95,295
Land revenue and other items	726,708

These improvements may or may not be realized to the extent expected.

The present condition with a deficit of 20,549,171*l.* for the years 1858-59 and 1859-60, and with the following loans respectively at the discount named on the 31st May, 1859, namely, the 4 per cent. at 26 to 26½ per cent.; the 5 per cent. Public Works Loan 14$\frac{2}{16}$ to 14$\frac{6}{16}$; the 5 per cent. loan of 1856-57 at 14$\frac{2}{16}$ to 14$\frac{6}{16}$, and the 5½ per cent. loan of 1859-60 at 6 to 6¼ per cent. discount, is sufficiently embarrassing and unsatisfactory, the more so when it is found that the subscriptions to the 5 per cent. loan of 1856-57, which averaged 142,497*l.* per week from the 3rd August to the 30th November, 1858, suddenly fall off to 69,766*l.* per week from the 7th December, 1858, to the 25th January, 1859, and that the consequent 5½ per cent. loan, although guaranteed for twenty years, was as above stated at a discount of 6¼ per cent., doubts being also entertained of the 5,600,000*l.* required being subscribed, which would entail the necessity for the transmission of more bullion from England in addition to the 3 millions already sent; moreover, the Home 4 per cent. debenture loan of 1858-59, although subscribed for at 95, and repayment guaranteed in five years being at a discount of a ½ to ¾ per cent.* Such, then, is the present condition of the Indian finances, and the past having been already reviewed, the future now remains to be considered.

* These debentures have since risen to a premium of 1¼ per cent., and the new 5 per cent. loan, contracted for at 97 has risen to 103⅝ to 104.

Prospective.

I now propose to consider the *prospective financial* condition of British India, and as History teaches by example, if we vaticinate for the future, guided by deductions from the past, it will probably be admitted that there is really nothing to justify either alarm or distrust in the elasticity of the financial resources of India. It is shown from the parliamentary returns that from the year 1800 up to the commencement of the lamentable mutiny of 1857, there had been a progressive increase in the gross revenues of India from 10,485,059*l.* in 1800, to 31,706,776*l.* in 1857-58, and an estimated revenue of 36,190,349*l.* in 1859-60, and the NET receipts of the years 1855-56-57, had respectively been 24,342,421*l.*, 25,983,651*l.*, and 27,124,322*l.*

Very heavy drains were occasioned by the two Mahratta Wars of 1803-4 and 6 and 1817-18; the Nepaul War of 1814; the two Burmese Wars of 1824-25 and 1852; the first of which, and its consequences, occasioned an absolute addition to the public debt of India (deducting redemptions) of 11,865,413*l.* sterling; the Affghanistan War of 1839-42, which increased the Indian debt (deducting redemption) by 6,180,437*l.*; the two Sikh Wars of 1845-6 and 1848-49 and Punjab annexation, which increased the debt (deducting redemption) by 9,996,665*l.* Notwithstanding the wars, however, the military charges which in 1809-10 absorbed 58·87 per cent. of the *net* revenue, and which rose in 1819-20 to 64·29 per cent., in 1849-50 had gradually fallen to 51·66 per cent. of the net revenue; and even the gigantic military establishments consequent on the mutiny, have only raised the percentage pressure upon the gross revenue to 58·4 per cent.—a less amount than it had been in 1809-10 and 1819-20.

The pressure of the interest of the debt which in 1809-10 was 18·01 per cent. of the net revenue; in 1829-30 was 12·12; in 1839-40 it was 9·75 per cent; and in 1849-50 it was 10·51. The Parliamentary Return 201, Sess. 2 of 1859, gives the annual condition of the Indian debt from 1800. From this return it is seen that the pressure for those years was 15·58, 9·77, 10·45, 7·92, 9·29, but as the calculations are based upon the gross revenue, they necessarily have a more favourable aspect than those based upon the net revenue. The same return shows that in 1857 when the greatest clamour was raised against the East India Company for financial mismanagement, involving prospective bankruptcy, the pressure of the interest of the whole debt of 55,546,650*l.* was only 7·19 per cent., a less amount than it had ever been since 1800, except in 1834-35, when it amounted only to 6·70 per cent. upon a debt of 36,250,297*l.*

The successive wars, the increase of debt, the enlargement of

establishments, civil and military, necessarily retarded the period when the revenue and charges could be brought into equilibrium; nevertheless, successively for the years 1850-51, 1851-52, and 1852-53 ending with 30th April, 1853, there was an absolute surplus of revenue over all charges, inclusive of the Home establishments, of 508,572*l.*, 733,775*l.*, and 632,372*l.*, and in 1857, as already stated, of 82,143*l.*, and the cash balance in the treasury of 15,389,135*l.* in 1852-53,* exceeded the amount ever before known. The clamour, however, of *soi disant* Indian reformers in the House of Commons for extraordinary outlays upon public works, induced the Indian Government in 1853-54, to precipitate the undertaking of extensive works, which partly occasioned a deficiency in a time of peace in that year of 1,962,904*l.*, in 1854-55 of 1,620,407*l.*, and in 1855-56 of 820,003*l.*, but on the 30th April, before the mutiny of May, 1857, this deficit was converted into a surplus of 82,143*l.* *inclusive* of an outlay of 2,024,094*l.* upon the extraordinary public works then in progress. At a time, therefore, when the finances of India were barely more than equal to the charges, the sudden demand of 2 millions per annum for extraordinary public works, threw them into temporary confusion, and Lord Dalhousie was obliged to open a public works loan.

Had however, the mutiny not occurred, there is no doubt the revenue of 33,303,351*l.* in 1856-57 would have sufficed to cover all charges even with the charges extraordinary for public works; much of which, moreover, particularly that part laid out in promotion of irrigation, may fairly be considered as mere investment of capital, with a certain prospect of reaping high profits. There is ample proof also in the progressive financial strength of the Government, —of increasing confidence in the public mind,—and of the large disposable capital in India in the gradual reduction of the average interest payable for loans from 8·09 per cent in 1800, gradually to 3·89 per cent. in 1853-54, by successive commutions of interest, as shown by the Parliamentary Return 201, Sess. 2 of 1859, for creditors would scarcely have accepted a gradual diminution of interest for their money, had their confidence in the Government been shaken, or had they supposed there were more satisfactory modes of investment. Further proofs of a gradually improving healthy condition of the finances, is shown in the Parliamentary Paper, No. 201, session 2, already frequently referred to; for though the Indian and Home debt has increased from 15,612,496*l.* to 67,503,484*l.* in 1857-58, the last year of absolute figures, the pressure of the interest of the debt in relation to the gross revenue, had fallen from a maximum pressure of 16·59 per cent. in 1806-7 to 7·43 per cent. in 1857-58, that is to say, the revenues have increased

* *Vide* Parliamentary Return 199, Sess. 2 of 1859.

in a greater ratio than the pressure of the interest of the debt. It will be borne in mind also that the revenue on three successive occasions in 1810-11, 1823-24, and 1853-54, had been in a condition to hazard great financial operations for the reduction of the rates of interest from 12, 10, 9 and 8 per cent. to 4 per cent.—operations which on each occasion proved successful.

I have designedly omitted all consideration of the monies passing through the hands of the East India Company for investment in railways in India, as the receipts and payments on the capital account balance each other, the money in fact being received by one hand and paid away by the other; but as the sums so invested amounted on the 12th August last to 23,250,480*l.*, and as most of the advances have a guaranteed interest of 5 per cent., repayable in time from the profits of the respective lines, and which interest is now a charge upon the annual revenues of India, minus the net profits of the railways above 5 per cent.; in a prospective view of the revenues and charges of India, it is to be hoped a time will arrive when the railways will earn their 5 or more per cent., and the present annual charge for interest of railway capital will not only cease, but repayments may be expected for the present annual outlay, and to this extent the future financial condition of India will be improved. Interest has already been paid to the amount of 2,739,443*l.* upon railway capital, which is so much lent, but it has helped to embarrass the finances. Nor must we omit the consideration that all that portion of outlay upon public works extraordinary, relating to systems of irrigation, and which presses with so much severity at present upon the finances of India, can fairly be considered as an investment of capital which, judging from the past, will ultimately give a return varying from 10 to 100 or more per cent. Another satisfactory prospect is in the ultimate productive working of the enormous amount of silver which has been poured into India, and which has remained in India since the year 1800, being in fact the balance of trade in favour of India.

I have shown from the Custom House returns from 1834-35 to 1856-57, that 94,517,189*l.* of treasure (silver bullion and coin) have been landed in India, and of that sum only 18,162,794*l.* have been re-exported, leaving a balance in India of 76,354,395*l.*; and of this sum no less than 66,224,172*l.* have passed through the mints of Calcutta, Madras, and Bombay, and been converted into Company's rupees. It is asserted by many that the silver is hoarded, but the owners would scarcely have paid seniorage and had the silver melted and converted into rupees for the sake of hoarding; and it is more probable that it was wanted to pay for the annual enormously increased production of indigo, sugar, oil seeds, lac dye, &c., &c.—improving, therefore, the means of the cultivators. If we take into

consideration the period between 1800 and 1835, for which I have not given returns, the probability is that about 150 millions sterling of silver have remained in India, realizing even at this day the assertion of Pliny, that India is the sink of the precious metals

The 10 millions sterling which have been laid out upon public works since 1853-54 for irrigation purposes, can only be looked upon as a reproductive investment; sums so devoted hitherto having returned from 5 to 200 per cent. upon the capital invested.

With a view to establish speedily an equilibrium between receipts and charges in India, Lord Canning has established a commission of three high officers of financial reputation. This commission is now actively at work, and I have reason to know, from sufficient authority, that while the highest efficiency is preserved, the expenditure may be reduced chiefly in the military branches, to the footing on which it stood in 1856-57, which would at once relieve India from financial embarrassment without increased taxation.

It may be objected that there ought not to have been a progressive increment of debt, but the successive wars rendered it inevitable; moreover, as a question of public policy, it has always been an object to link the interests of native capitalists in India with those of the British Government through the medium of pecuniary obligations. But if the administrators of British India be considered criminals or blunderers in running up a debt of 100 millions and spending 1,397,910*l.* per annum during sixty years, of borrowed money, what shall be said of the administrators of England, who in 169 years have run up a debt of 805 millions, and whose AVERAGE annual expenditure of borrowed money beyond income has been 4,792,134*l.*!!

Now the figures and facts I have produced are not my facts and figures, they are from official and Parliamentary sources; neither are the numerical results which I have deduced from these figures and facts specifically my results for which I am personally responsible, because any other reviewer of the subject matter I have laid before the Section, would have been constrained to bring out the same results if the calculations be correct. The results, therefore, did not admit of being influenced by any bias or prejudice of mine, and I am anxious this fact should be thoroughly appreciated, and proper confidence placed in those results, for upon a right understanding of the past financial condition of British India, and a proper knowledge of the resources of the country, depends not only the hazardous and even mischievous experiment whether increased taxation in India should take place AT ALL, but whether capitalists and those with small disposable funds should be led to invest, upon the guarantee of the revenues of India, free from that distrust and misgiving which at the present moment paralyze the Government of India, by causing inability to raise money even at exorbitant interest, and which distrust deters the home capitalist from giving his aid,

except upon conditions which necessarily enhance the embarrassments of the Indian exchequer. The pressure of the interest of the debt of India in relation to its revenues in 1857 before the mutiny, was 7·19 per cent., and the debt was 1·79 year's purchase of revenue. Even in 1859-60, with an estimated debt of 98 millions, the pressure of the interest would be 13·54 per cent., and the year's purchase 2·43; contrast this with the debt of England in 1858, and we find the results of the annual pressure of interest upon the income 43·37, and year's purchase 12·24. Even with England's wealth and gigantic resources, these facts have an unpleasant bearing, and it is not beyond the verge of possibility, in case the annual votes increase for the next twenty years in the same ratio as they have done for the last twenty years, that the exchequer of England may look to that of India for aid, rather than the exchequer of India to that of England. On the whole, therefore, judging from the past financial condition of British India, as exhibited in the preceding official figures, and particularly upon the important fact that in 1857 there was a surplus of revenue over all charges, India and Home, of 82,000*l.*, we are justified in anticipating a similar condition of the Indian finances the moment the charges consequent upon the mutiny are got rid of. We have only to restore to the peoples of India that confidence which they enjoyed previously to the mutiny of one of the three native armies of India, and in which a fraction only of the peoples of India took part. We have only to act with forbearance towards their intense religious prejudices, and to afford them cheap and ready justice, and India will become, as heretofore, auxiliary to the political strength and wealth of England.

Note.—The following *Estimates* continued to 1860-61, contained in a despatch from the Government of India dated 30th September, 1859, indicate that the ultimate deficiency on the 30th April, 1861, *inclusive* of home charges, will be 3,350,680*l.* only, and the cash balances in the treasuries of India 12,551,246*l.*

1860-61.	Revenues.	Charges.
	£	£
Governmt. of India	3,545,	15,472,
Bengal	13,167,	4,085,
N.-W. Provinces	5,810,	2,267,
Punjab	2,955,	1,837,
Madras	6,317,	6,715,
Bombay	7,107,	7,647,
	38,902,	38,025,
Surplus in India	....	877,
	38,902,	38,902,

Estimated Home Charges, 1860-61.	£
Charges on the Revenues of India, per statement 2 April, 1859	5,153,
Add—Interest on loan to be raised in London in 1859-60, say 7 mlns., 5 mlns. @ 5 per cent, and 2 mlns. @ 4 per cent.	,330,
	5,483,
Deduct—Stores included in Indian revenue accounts	1,246,
	4,237,
Deduct estimated surplus in India	,877,
Estimated ultimate deficit, 1860-61	3,359

India.—Revenue and Charges at Four Periods 1809-10 *to* 1839-40.

(I.)—BENGAL AND AGRA.

REVENUES.

Classification.	1809-10.		1819-20.		1829-30.		1839-40.	
	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.
Land Sayer and Abkarry	5,536,	7·43	6,499,	8·03	6,680,	8·68	6,573,	11·31
Customs	386,	12·78	547,	14·10	559,	14·32	459,	18·28
Salt (deducting cost)	1,152,	10·26	1,121,	16·85	1,171,	15·57	1,645,	10·68
Opium ditto	622,	3·79	600,	5·13	1,112,	9·33	306,	23·32
Stamps	45,	15·55	70,	44·59	222,	19·55	282,	8·90
Post Office	7,	81·73	14,	71·05	7,	90·53	7,	91·65
	7,748,	8·26	8,851,	10·22	9,751,	10·79	9,272,	12·59
Allowances, &c.	597,	....	375,	....	227,	....	309,	....
	7,151,	....	8,476,	....	9,524,	...	8,963,	....

CHARGES.

Classification.	1809-10.		1819-20.		1829-30.		1839-40.	
	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.
Civil and Political	543,	7·59	839,	9·89	793,	8·33	855,	9·54
Judicial	584,	8·17	577,	6·80	559,	5·87	847,	9·45
Police	149,	2·08	164,	1·93	143,	1·50	209,	2·33
Mint	22,	....	....	....	30,	....	....	....
Marine	65,	0·91	91,	1·07	91,	0·95	108,	1·20
Military	2,973,	41·57	3,823,	45·09	3,498,	36·73	4,115,	45·91
Buildings and Fortifications	95,	1·32	147,	1·73	260,	2·73	121,	1·35
Prince of Wales's Island	170,	....	173,	....	132,	....	55,	....
Deccan Prize	....	....	....	....	344,	....	....	....
Interest on Debt	1,384,	19·35	1,551,	18·30	1,535,	16·11	1,253,	13·98
Total Charges	5,985,	83·69	7,361,	83·83	7,385,	77·54	7,541,	84·14
Surplus	1,166,	...	1,115,	....	2,139,	....	1,421,	....
	7,151,	....	8,476,	....	9,524,	....	8,962,	....

Note.—In the cols. of *Net Receipts* and *Charges* the unit 000's are omitted. Thus, 5,536, is 5,536,000*l.*

(II.)—MADRAS.

Revenues.

Classification.	1809-10.		1819-20.		1829-30.		1839-40.	
	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.
	£ Mlns.	Pr ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.
Land Sayer, Abkarry, &c.	3,456,	4·67	3,077,	9·51	2,814,	11·77	2,927,	12·31
Customs	203,	19·30	352,	20·37	447,	7·87	336,	12·60
Salt (deducting cost).....	187,	18·16	238,	20·36	318,	6·90	317,	9·21
Opium.....	....	....	....	....	....	....	....	....
Stamps.....	6,	30·23	40,	6·86	35,	20·42	41,	10·44
Tobacco (deducting cost)	....	....	....	....	47,	6·60	52,	9·99
Postage	....	....	....	....	3,	89·46	....	....
	3,848,	6·76	3,705,	11·82	3,664,	11·44	3,668,	12·78
Allowances or additions	228,	....	52,	....	218,	....	190.	....
	3,620,	....	3,757,	....	3,446,	....	3,478,	....

Charges.

Classification.	1809-10.		1819-20.		1829-30.		1839-40.	
	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue	Charges.	*Percentage* of other Charges to Net Revenue.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.
Civil and Political..	164,	4·53	206,	6·02	274,	8·04	303,	8·82
Judicial	217,	5·98	248,	7·22	232,	6·81	250,	7·28
Police	72,	1·99	96,	2·81	63,	1·85	62,	1·81
Mint	....	....	11,	....	17,	....	1,	....
Marine....	....	....	5,	0·16	11,	0·33	3,	0·08
Military	2,581,	71·29	3,034,	88·45	2,633,	77·42	2,765,	80·59
Buildings and Fortifications .	57,	1·57	66,	1·92	47,	1·37	47,	1·38
Interest on Debt	372,	10·28	91,	2·66	169,	4·97	47,	1·37
Total Charges	3,463,	95·65	3,757,	109·55	3,446,	101·30	3,478,	101·32
Surplus	157,	....	....	....	....	....	....	....
	3,620,	....	....	....	....	....	....	....

(III.)—BOMBAY.

Revenues.

Classification.	1809-10.		1819-20.		1829-30.		1839-40.	
	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.
Land Sayer and Abkarry	392,	11·73	916,	12·64	1,294,	14·47	1,458,	15·80
Customs	82,	19·04	190,	15·69	375,	6·90	177,	19·79
Salt	2,	....	....	....	23,	....	119,	8·93
Opium	....	....	....	....	....	....	11,	40·54
Stamps	....	....	15,	...	16,	49·26	43,	6·63
Post Office	1,	82·54	1,	73·18	....	....	....	....
	477,	13·71	1,122,	13·28	1,705,	13·98	1,799,	16·89
Allowances	11,	....	12,	....	431,	....	453,	....
Net Revenue	466,	....	1,110,	....	1,274,	....	1,346,	....
Deficit	1,162,	....	706,	....	1,002,	....	638,	....
	1,628,	....	1,816,	....	2,276,	....	1,984,	....

Charges.

Classification.	1809-10.		1819-20.		1829-30.		1839-40.	
	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.	Charges.	*Percentage* of other Charges to Net Revenue.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.
Civil and Political	104,	22·36	114,	10·25	293,	23·01	532,	39·51
Judicial and Police	48,	10·25	83,	7·51	230,	18·03	230,	17·10
Mint	....	....	....	....	1,	....	....	....
Marine	113,	24·29	68,	6·09	141,	11·09	121,	9·01
Military	1,063,	227·72	1,512,	136·17	1,501,	117·85	1,052,	78·15
Buildings and Fortifications	32,	0·95	17,	1·50	92,	7·24	28,	2·08
Interest on Debt	268,	57·37	25,	2·23	18,	1·38	41,	3·02
	1,628,	348·93	1,819,	163·61	2,276,	178·67	2,904,	147·38
Excess Receipts (Mint)	....	....	2,	....	....	....	20,	....
	1,628,	....	1,817,	....	....	....	1,984,	....

(D.)—Return *of all* Loans *and* Repayments *of* Debts *at the several Presidencies in* India, *and Interest at which the several Loans were contracted, together with the Annual Gross Revenue Column showing the Annual Percentage Pressure of the Interest of the Debts in relation to*

(I.)—Loans and Repayments.

		1	2	3	4	5	6	7	8	9	10
		Loans Contracted						Total Loans contracted *in India and England*, being Totals of Columns Nos. 2 and 5.	Repayment of Debts.		
		In India.			In England.						
	Years.	Amount of Debt at the end of each Year.	Debt Contracted during each Year.	Rate Per Cent.	Amount of Bond and other Debts at the end of each Year.	Amount of Bonds Issued.	Rate Per Cent.		Debt Re-deemed during the Year *in India.*	Amount of Bonds *paid off in England.*	Total Debts *Re-deemed* in India and England, being Totals of Columns Nos. 8 and 9.
		£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.
	1800– 1	14,12	3,73	12, 10, 9, 8, 6	1,48	....	5	3,73	1,27	,02	1,30
	1801– 2	15,88	2,61	12, 10, 9, 8, 6	1,44	,17	5	2,79	,85	,21	1,07
First Mahratta War.	1802– 3	17,51	3,55	12, 10, 9½, 9, 8¾, 8, 6	1,73	,28	5	3,83	1,92	....	1,92
	1803– 4	19,92	3,14	10, 9, 8¾, 8, 6½, 6	1,82	,21	5	3,35	,73	,11	,85
	1804– 5	22,72	3,40	12, 10, 9, 8¾, 8, 7¾, 7, 6½	2,39	1,28	6, 5½, 5	4,68	,60	,71	1,31
	1805– 6	25,98	4,90	10, 9, 8¾, 8, 6½, 6	2,58	,39	6, 5½, 5	5,30	1,64	,21	1,85
	1806– 7	28,20	5,36	12, 10, 9, 8¾, 8, 6½, 6	2,88	,50	6, 5½, 5	5,87	3,14	,20	3,35
	1807– 8	30,09	5,82	10, 9, 8, 6	4,20	2,01	5	7,84	3,93	,68	4,62
	1808– 9	29,62	2,26	10, 9, 8, 6	4,85	,64	5	2,91	2,74	....	2,74
	1809–10	25,92	2,71	10, 9, 8, 6	4,90	,45	5	2,76	6,41	....	6,41
	1810–11	22,54	17,69	9, 8, 6, 4	4,90	....	5	17,69	21,07	....	21,07
	1811–12	23,77	2,93	9, 8, 6, 4	6,56	1,66	5	4,60	1,70	....	1,70
	1812–13	24,24	1,02	8, 6, 5, 4	5,38	,19	5	1,22	,55	1,38	1,94
	1813–14	24,87	,64	8, 6, 5	4,48	,53	5	1,18	,20	1,43	1,45
Nepaul War.	1814–15	25,62	1,62	8, 6, 5	4,37	....	5	1,62	,87	,10	,98
	1815–16	26,00	,48	8 & 6	3,96	....	5	,38	....	,41	,41
	1816–17	26,71	,71	8 & 6	3,95	....	5	,71	....	....	,01
Second Mahratta War.	1817–18	27,28	,57	8 & 6	3,95	....	5 & 4	,57	....	....	....
	1818–19	28,80	1,62	9, 8, 6	3,95	....	4	1,62	,10	....	,10
	1819–20	31,33	2,61	10, 9, 8, 6, 5	3,92	....	4	2,61	,07	,03	,11
	1820–21	30,72	,28	10, 9, 8, 6, 5, 4	3,92	....	4	,28	,90	....	,90

Note.—To save lateral space in the columns, the last four figures in the money totals are omitted, figures ,02 are to be read 20,000*l.*, the real amounts in both cases being respectively

in ENGLAND, *annually, from the Year* 1800 *to the latest Dates inclusive; specifying the Rates of of each Presidency, and total Annual Revenue of* BRITISH INDIA *from all Sources; with a the Gross Revenue.—(Compiled from Parl. Paper* 201, *Sess.* 2/'59.

(II.)—INTEREST AND REVENUE.

11	12	13	14	15	16	17	18	19	20	21	
Amount Paid for Interest.			Amount of Gross Revenue.						Percentage Pressure of the Interest of Debts in relation to the Gross Revenue.	Cash Balances in the Indian Treasuries, 30 April annually.	YEARS.
In India.	In England.	TOTAL.	Bengal.	North-West Provinces.	Punjab.	Madras.	Bombay.	TOTAL INDIA.			
£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	
1,34	,08	1,42	6,65	....	....	3,54	,28	10,48	13·63	....	1800 –1
1,48	,07	1,55	7,12	....	....	4,72	,30	12,16	12·80	....	1801– 2
1,44	,07	1,52	8,38	....	....	4,72	,35	13,46	13·29	....	1802– 3
1,75	,08	1,83	8,06	....	....	4,65	,55	13,27	13·83	....	1803– 4
1,82	,08	1,90	9,33	....	....	4,89	,71	14,94	12·74	....	1804– 5
2,16	,12	2,28	9,54	....	....	5,01	,84	15,40	14·86	....	1805– 6
2,26	,14	2,41	9,16	....	....	4,60	,77	14,53	16·59	....	1806– 7
2,33	,15	2,49	9,97	....	....	4,92	,77	15,66	15·90	....	1807– 8
2,23	,23	2,46	9,81	....	....	4,96	,74	15,52	16·90	....	1808– 9
2,16	,27	2,43	9,59	....	....	5,37	,69	15,65	15·58	....	1809–10
1,50	,26	1,77	10,68	....	....	5,23	,75	16,67	10·62	....	1810–11
1,57	,26	1,84	10,70	....	....	5,15	,74	16,60	11·09	....	1811–12
1,59	,33	1,93	10,39	....	....	5,25	,68	16,33	11.84	....	1812–13
1,63	,37	2,01	11,17	....	....	5,29	,75	17,22	11·66	....	1813–14
1,66	,25	1,92	11,15	....	....	5,32	,81	17,29	11·10	....	1814–15
1,68	,23	1,92	11,31	....	....	5,10	,81	17,23	11·14	....	1815–16
1,72	,23	1,96	11,85	....	....	5,36	,86	18,07	10·84	....	1816–17
1,77	,21	1,98	11,69	....	....	5,38	1,30	18,37	10·78	....	1817–18
1,86	,15	2,01	12,43	....	....	5,36	1,66	19,45	10·37	....	1818–19
1,72	,15	1,87	12,24	....	....	5,40	1,57	19,23	9·77	....	1819–20
2,00	,16	2,17	13,54	....	....	5,40	2,40	21,35	10·10	....	1820–21

First Mahratta War.

Nepaul War.

Second Mahratta War.

for instance in column 8, of 1800-1, the figures 1,27 are to be read 1,270,000*l.*, so in column 9 the 1,274,832*l.*, and 29,500*l.*, and so on with the rest of the figures. The percentages are in full.

WHOLE OF INDIA.—RETURN

(I).—LOANS AND REPAYMENTS.

	1	2	3	4	5	6	7	8	9	10
	Loans Contracted							Repayment of Debts.		
	In India.			In England.			Total Loans contracted *in India and England*, being Totals of Columns Nos. 2 and 5.	Debt Redeemed during the Year *in India.*	Amount of Bonds *paid off in England.*	Total Debts *Redeemed* in India and England, being Totals of Columns Nos. 8 and 9.
YEARS.	Amount of Debt at the end of each Year.	Debt Contracted during each Year.	Rate Per Cent.	Amount of Bond and other Debts at the end of each Year.	Amount of Bonds Issued.	Rate Per Cent.				
	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.
1821–22	29,29	,01	6, 5, 4	3,92	....	4	,01	1,43	....	1,43
1822–23	27,25	,16	8, 6, 4	3,92	....	3½	,16	2,20	....	2,21
First Burmese War. 1823–24	24,59	11,19	8, 6, 5, 4	3,92	....	3½	11,19	13,84	....	13,84
1824–25	25,26	1,97	8, 6, 5, 4	3,92	....	3	1,97	1,30	....	1,30
1825–26	30,57	7,12	10, 8, 6, 5, 4	3,78	....	4	7,12	1,81	,14	1,95
1826–27	32,27	2,88	8, 6, 5, 4	3,78	....	4	2,88	1,18	....	1,18
1827–28	36,70	5,11	10, 8, 6, 5, 4	3,78	....	4	5,11	,68	....	,68
1828–29	36,46	1,46	8, 6, 5, 4	3,78	....	3	1,46	1,71	....	1,71
1829–30	37,05	,82	8, 6, 5, 4	3,78	....	3	,82	,23	....	,23
1830–31	38,31	1,33	8, 6, 5, 4	3,73	....	2½	1,33	,07	,04	,12
1831–32	37,68	4,86	8, 6, 5, 4	3,52	....	2½	4,86	5,49	,20	5,70
1832–33	37,87	2,55	8, 6, 5, 4	3,52	....	2½	2,55	2,36	....	2,36
1833–34	37,82	2,73	8, 6, 5, 4	3,52	....	2½	2,73	2,78	....	1,78
1834–35	36,25	3,38	6, 5, 4	3,52	....	2½	3,38	4,96	....	4,96
1835–36	31,82	2,24	6, 5, 4	3,52	....	4, 3½, 2½	2,24	6,67	....	6,67
1836–37	32,43	1,19	6, 5, 4	3,52	....	4	1,19	,58	....	,58
1837–38	32,26	1,45	6, 5, 4	3,52	....	4, 3	1,45	1,62	....	1,62
1838–39	32,24	,59	6, 5, 4	1,73	....	3	,59	,61	1,78	2,40
Afghanistan War. 1839–40	32,75	,64	6, 5, 4	1,73	....	3½, 3	,64	,13	....	,13
1840–41	34,18	1,54	6, 5, 4	1,73	....	3½, 3	1,54	,10	....	,10
1841–42	36,67	2,61	6, 5, 4	1,73	,16	3½	2,78	,13	,16	,30
Sind War. 1842–43	38,74	2,45	6, 5, 4	1,73	,10	3½	2,55	,38	,10	,48
1843–44	40,14	1,66	6, 5, 4	1,73	....	3½, 3	1,66	,25	....	,25
1844–45	41,20	1,11	6, 5, 4	2,29	,56	3	1,68	,06	....	,06
First Sikh War. 1845–46	41,59	,38	6, 5, 4	2,29	....	3½, 3	,38	....	....	....
1846–47	44,58	3,00	6, 5, 4	2,29	....	4½, 3½	3,00	....	....	....
1847–48	45,95	1,73	6, 5, 4	2,79	,50	4½	2,23	,35	....	,35
Second Sikh War. 1848–49	47,15	1,23	6, 5, 4	3,89	1,10	4½	1,33	,03	....	,03
1849–50	50,03	2,89	6, 5, 4	3,89	....	4½	2,89	,01	....	,01
1850–51	51,19	1,23	6, 5, 4	3,89	....	3½	1,23	,06	....	,06
1851–52	51,21	,79	6, 5, 4	3,89	....	3	,79	,78	....	,78

of all LOANS, *&c.—Continued.*

(II.)—INTEREST AND REVENUE.

11	12	13	14	15	16	17	18	19	20	21	
Amount Paid for Interest.			Amount of Gross Revenue.						Percentage Pressure of the Interest of Debts in relation to the Gross Revenue.	Cash Balances in the Indian Treasuries, 30 April annually.	YEARS.
In India.	In England.	TOTAL.	Bengal.	North-West Provinces.	Punjab.	Madras.	Bombay.	TOTAL INDIA.			
£ Mlns.	£ Mlns.	£ Mlns	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	
1,89	,15	2,05	13,39	....	....	5,55	2,85	21,80	9·41	....	1821–22
1,76	,16	1,92	14,31	....	....	5,58	3,27	23,17	8·30	....	1822–23
1,46	,14	1,60	12,99	....	....	5,49	2,78	21,28	7·55	....	1823–24 } First Burmese War.
1,49	,13	1,62	13,52	....	....	5,44	1,78	20,75	7·84	....	1824–25 } First Burmese War.
1,79	,11	1,90	13,15	....	....	5,71	2,26	21,12	9·00	....	1825–26 } First Burmese War.
1,88	,15	2,04	14,81	....	....	5,98	2,58	22,38	9·13	....	1826–27
2,13	,15	2,28	14,97	....	....	5,34	2,54	22,86	9·96	....	1827–28
2,11	,15	2,27	14,83	....	....	5,57	2,33	22,74	10·00	....	1828–29
2,15	,11	2,26	13,85	....	....	5,41	2,42	21,69	10·45	....	1829–30
2,22	,09	2,31	14,11	....	....	5,35	2,54	22,01	10·51	....	1830–31
1,87	.09	1,97	11,74	....	....	4,47	2,09	18,31	10·76	....	1831–32
1,86	,09	1,95	12,24	....	....	4,10	2,12	18,47	10·56	....	1832–33
1,75	,10	1,85	11,61	....	....	4,35	2,29	18,26	10·15	....	1833–34
1,70	,09	1,79	15,29	4,89	....	4,48	2,18	26,85	6·70	....	1834–35
1,42	,08	1,50	8,28	4,83	....	4,59	2,42	20,14	7·49	....	1835–36
1,44	,11	1,55	8,61	5,05	....	4,61	2,70	20,99	7·41	....	1836–37
1,42	,13	1,56	9,08	4,36	....	4,81	1,58	20,85	7·51	....	1837–38
1,41	,08	1,49	8,77	5,04	....	4,95	2,38	21,15	7·06	....	1838–39
1,54	,05	1,59	7,84	4,89	....	4,97	2,40	20,12	7·92	....	1839–40 } Afghanistan War.
1,61	,05	1,66	8,43	4,63	....	4,97	2,80	20,85	7·98	....	1840–41 } Afghanistan War.
1,73	,06	1,79	8,82	5,19	....	5,01	2,80	21,83	8·23	....	1841–42 } Afghanistan War.
1,84	,06	1,90	9,08	5,32	....	5,08	3,12	22,61	8·42	....	1842–43 { Sind War.
1,90	,05	1,95	9,84	5,36	....	5,07	3,30	23,58	8·30	11,02	1843–44
1,94	,06	2,00	9,99	5,52	....	4,99	3,14	23,66	8·49	11,53	1844–45
1,96	,06	2,03	10,39	5,53	....	5,00	3,33	24,27	8·37	9,54	1845–46 } First Sikh War.
2,11	,07	2,18	11,52	5,93	....	5,13	3,49	26,08	8·36	10,69	1846–47 } First Sikh War.
2,18	,10	2,28	10,07	6,05	....	5,21	3,57	24,90	9.17	10.03	1847–48
2,24	,15	2,39	10,11	5,98	....	5,15	4,14	25,39	9·41	11,04	1848–49 } Second Sikh War.
2,38	,17	2,55	10,90	6,21	1,28	5.00	4,10	27,52	9·29	12,43	1849–50 } Second Sikh War.
2,44	,14	2,58	10,42	6,09	1,59	5,08	4,40	27,62	9·37	12.98	1850–51
2,43	,12	2,55	10,40	6,19	1,21	5,23	4,78	27,83	9·17	12,87	1851–52

WHOLE OF INDIA.—RETURN

(I.)—LOANS AND REPAYMENTS.

Years.		1	2	3	4	5	6	7	8	9	10
		Loans Contracted						Total Loans contracted *in India and England*, being Totals of Columns Nos. 2 and 5.	Repayment of Debts.		
		In India.			In England.						
		Amount of Debt at the end of each Year.	Debt Contracted during each Year.	Rate Per Cent.	Amount of Bond and other Debts at the end of each Year.	Amount of Bonds Issued.	Rate Per Cent.		Debt Re-deemed during the Year *in India.*	Amount of Bonds *paid off in England.*	Total Debts *Re-deemed* in India and England, being Totals of Columns Nos. 8 and 9.
		£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.
Second Burmese War.	1852–53	52,31	1,12	6, 5, 4	3,89	....	3	1,12	,02	....	,02
	1853–54	49,76	25,67	6, 5, 4, 3½	3,89	....	3¼	25,67	28,22	....	28,22
	1854–55	51,61	2,19	6, 5, 4, 3¾, 3½	3,89	....	4	2,19	,33	....	,34
	1855–56	53,84	2,55	6, 4, 3½, 3	3,89	....	4	2,55	,32	....	,32
Mutiny	1856–57	55,54	2,47	6, 5, 4½, 4, 3¾, 3½	3,89	....	4	2,47	,77	....	,77
	1857–58	60,70	9,25	6, 5, 4, 3¾	6,79	*2,90	4	12,16	4,09	....	4,09
	*1858–59	68,08	7,38	6, 5½, 5	15,11	5,92	5	13,30	....	....	....
	*1859–60	71,02	2,94	6, 5½, 5	26,99	4,24	5	7,28	....	....	....

* This Amount is a 4 per cent. Debntr, under Act 21 Vict.—58-9 & 59-60 are *Estimates.* Up as 1*s.* 10½*d.* only. Now all accounts are Co 's Rs. 2*s.*—

REVENUE, 1849–50.

Classification.	Bengal & N. W. Provinces.		Madras.		Bombay.		All India.
	Net Receipts.	Cost of Collection.	Net Receipts.	Cost of Collection,	Net Receipts.	Cost of Collection.	Cost of Collection.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	Pr. ct.
Land Sayer, &c.	8,879,	9·07	3,156,	12·91	2,163,	13·30	10·61
Customs	869,	12·10	76,	20·97	245,	15·31	13·50
Salt	1,464,	10·50	359,	6·03	202,	7·23	9·42
Opium	2,625,	3·83	....	....	684,	1·43	3·34
Stamps	341,	4·82	35,	12·04	53,	5·14	5·48
Tobacco	....	....	58,	9·44	....	....	9·44
Post Office	14,	88·45	....	....	....	....	....
Miscellaneous	240,	....	323,	....	22,	....	....
	14,432,	9·01	4,007,	13·25	3,369,	11·98	10·25
Allowances, &c.	732,	....	529,	....	1,039,	....	....
					2,330,	....	....
Deficit	....	....	....	....	509,		
	13,700,	....	3,478,	....	2,839,	....	....

of all LOANS, *&c.—Continued.*

(II.)—INTEREST AND REVENUE.

11	12	13	14	15	16	17	18	19	20	21	
Amount Paid for Interest.			Amount of Gross Revenue.						Per-centage Pressure of the Interest of Debts in relation to the Gross Revenue.	Cash Balances in the Indian Treasuries, 30 April annually.	YEARS.
In India.	In England.	TOTAL.	Bengal.	North-West Provinces.	Punjab.	Madras.	Bombay.	TOTAL INDIA.			
£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	£ Mlns.	Per cent.	£ Mlns.	
2,47	,11	2,59	11,21	6,12	1,23	5,31	4,71	28,60	9·07	14,58	1852–53 } Second Burmese War.
2,09	,11	2,20	11,22	6,17	1,29	4,98	4,60	28,27	7·80	15,38	1853–54 } Second Burmese War.
2,03	,15	2,18	11,69	6,25	1,30	4,92	4,95	29,13	7·52	14,06	1854–55
2,18	,15	2,33	13,01	6,26	1,29	5,28	4,95	30,81	7·56	10,16	1855–56
2,36	,15	2,52	14,07	6,59	1,46	5,76	5,40	33,30	7·19	12,84	1756–57 } Mutiny
2,24	,15	2,39									
2,66	,36	3,02	14,41	3,04	2,45	5,67	6,11	31,70	7·43	13,87	1857–58 } Mutiny
2,19	,15	2,35									
....	....	4,15	14,49	5,08	2,88	5,63	5,58	33,67	12·35	14,61	1858–59
....	....	4,90	15,68	5,49	2,86	5,76	6,38	36,19	13·54	11,89	1859–60

to 1856 from the year 1833, (when the accounts were adapted to 2*s*.) the Sicca Rupee was considered 10 R. = 1*l*., and rendered in Pounds at 2*s*.

CHARGES, 1849–50.

Classification.	Bengal & N. W. Provinces.		Madras.		Bombay.		All India.
	Charges.	*Perctge.* of other Charges to Net Revenue.	Charges.	*Perctge.* of other Charges to Net Revenue.	Charges.	*Perctge.* of other Charges to Net Revenue.	*Perctge.* of other Charges to Net Revenue.
	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	£ Mlns.	Pr. ct.	Pr. ct.
Civil and Political	1,018,	7·43	330,	9·47	389,	16·71	8·90
Judicial	937,	6·84	226,	6·49	232,	9·96	7·15
Police	310,	2·26	79,	2·28	130,	5·57	2·66
Mint	....	....	3,	....	....	....	....
Marine	75,	0·55	5,	0·14	173,	7·42	1·30
Military	5,897,	43·48	2,364,	67·96	1,818,	77·99	51·66
Bldgs. and Fortifications	273,	1·99	17,	0·48	34,	1·47	1·66
Miscellaneous	164,	....	....	....	....	....	....
Interest on Debt	1,935,	14·12	50,	1·43	66,	2·85	10·51
	10,609,	....	3,074,	....	2,842,	....	....
Deductions	118,	....	....	....	3,	....	....
Total Charges	10,491,	76·57	3,074,	88·37	2,839,	121·85	84·08
Surplus	3,209,	....	404,	....	....	....	....
	13,700,	....	3,478,	....	2,839,	....	....

(E.)—*Whole of India.*—1800-1860.—*Financial Abstract.*

1	2	3	4	5	6	7	8	9	10	11
Years.	Amount of Debt in India on 30th April each Year.	Rate Per Cent. of Interest.	Amount of Debt in *England* on 30th April each Year.	Rate Per Cent. of Interest.	*Total Amount* of Debt, Indian and Home.	Annual Interest on *Total Debt*, Indian and Home.	Average Rate of Interest Per Cent. upon Total Debt.	Amount of *Gross Revenue* of British India.	Percentage Pressure of the *Interest* of Debts in relation to the Gross Revenue.	Cash Balances in the Treasuries in India on the 30th April Annually.
	£	£	£	Per ct.	£	£	Per ct.	£	Per ct.	£
1800– 1	14,125,	12, 10, 9, 8, 6	1,487,	5	15,612,	1,429,	8·09	10,485,	13·63	....
1807– 8	30,098,	10, 9, 8, 6	4,205,	6, 5½, 5	34,304,	2,492,	7·77	15,669,	15·90	....
1808– 9	29,620,	10, 9, 8, 6	4,854,	5	34,474,	2,468,	7·16	15,525,	15·90	....
1810–11	22,545,	9, 8, 6, 4	4,900,	5	27,445,	1,772,	6·66	16,679,	10·62	....
1811–12	23,779,	9, 8, 6, 4	6,565,	5	30,345,	1,841,	6·06	16,605,	11·09	....
1819–20	31,338,	10, 9, 8, 6, 5	3,923,	4	35,262,	1,879,	5·33	19,230,	9·77	....
1823–24	24,595,	8, 6, 5, 4	3,922,	3	28,518,	1,608,	5·96	21,280,	7·55	....
1830–31	38,316,	8, 6, 5, 4	3,735,	2½	42,051,	2,314,	5·50	22,019,	10·51	....
1835–36	31,821,	6, 5, 4	3,523,	4, 3½, 2½	35,344,	1,509,	4·49	20,148,	7·49	10,217,
1852–53	52,313,	6, 5, 4	3,899,	3	56,212,	2,596,	4·61	28,609,	9·07	15,389,
1853–54	49,762,	6, 5, 4, 3½	3,899,	3¼	53,662,	2,207,	3·89	28,277,	7·80	14,067,
1856–57	55,546,	6, 5, 4, 3½	3,894,	4	59,441,	2,396,	4·24	33,303,	7·19	13,876,
1857–58	60,704,	6, 5, 4, 3¾	6,799,	4	67,503,	2,355,	4·48	31,706,	7·43	14,611,
*1858–59	68,085,	6, 5, 4	15,110,	4	83,195,	*4,159,	*5·0	33,671,	*12·35	13,877,
*1859–60	71,029,	6, 5½, 4	26,996,	4, 5	98,026,	*4,901,	*5·0	36,190,	*13·54	11,396,

* Estimates.

N.B.—The 6 per cent. which stands in the Interest column of the Indian debt for every year, is not for money borrowed, but is a liberal contribution made by the East India Company upon subscriptions from the pay of the Civil and Military Services, as capital for their Pension and Widows' Funds.—The 000's at *unit* end are omitted.